policy is being formulated. It is at an advanced stage of consideration in the Government of India. The details and incentives under the scheme are yet to be finalised.

Import of tea waste

1020. SHRI B. K. HARIPRASAD: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware that several tea exporters from India have been importing tea waste from Indonesia and other countries and re-exporting them as orthodox variety;

(b) whether Libya has recently rejected a huge consignment of tea from India as sub-standard;

(c) if so, whether the certificate of origin for this consignment was issued by Jodhpur Chamber of Commerce rather than Tea Board; and

(d) whether Government would consider appointing Tea Board as the sole inspection agency for tea exports from the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) An instance has recently come to notice of poor quality tea having been reportedly imported from Vietnam for re-export.

(b) and (c) No, Sir.

(d) To ensure better surveillance on quality of tea exports, Tea Board haver proposed certain provisions and regulations under the Tea Act, 1953.

Foreign investment in SEZ

1021. SHRI K. B. KRISHNA MURTHY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to woo foreign investors to set up Special Economic Zones by raising the FDI cap to 100 per cent;

(b) whether the proposal includes bio-technology parks and other Free Trade and Warehousing Zones; and

(c) if so, the features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) 100 per cent Foreign Direct investment is allowed for setting up of Special Economic Zones (SEZs) with integrated townships, including housing, commercial and recreational facilities, on a case to case basis. Such SEZs could also be for the biotechnology sector. Further, Foregin Direct Investment would be permitted upto 100 per cent in the development and establishment of Free Trade and Warehousing Zones.

Indo-China trade

1022. DR. T. SUBBARAMI REDDY:
PROF. ALKA BALRAM KSHATRIYA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Sino-lndian trade is set to cross $ 10 billion mark this year for the first time;

(b) if so, whether India determines to further diversify and strengthen bilateral ties between the two countries;

(c) if so, whether according to India, its efforts are to increase trade and economic relationship with China;

(d) if so, what are the proposals that are being considered by Government to improve trade ties with China;

(e) to what extent these efforts have been successful; and

(f) to what extent the agreement reached in this regard would help to improve trade ties further?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes, Sir. The Indo-China trade is expected to cross $ 10 billion mark during 2004-05 for the first time.

(b) to (f) In pursuance of the 'Declaration of Principles for Relations and Comprehensive Cooperation between the Republic of India and the People's Republic of China', signed during the visit of Prime Minister to Beijing in